



## City of Morgan Hill

## City Council Staff Report

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File #: 14-395, Agenda Date: 11/19/2014, Version: 1

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## **CITY COUNCIL STAFF REPORT**

### **MEETING DATE: NOVEMBER 19, 2014**

PREPARED BY: Steve Maxey, Assistant Planner, Community Development  
APPROVED BY: City Manager

### **GPA-14-05: LIGHTPOST - RIVERPARK HOSPITALITY**

#### **RECOMMENDATION(S):**

- 1) Open/Close Public Hearing
- 2) Adopt resolution approving the General Plan Amendment GPA-14-01

#### **COUNCIL PRIORITIES SUPPORTED:**

##### **Annual Priorities**

Stimulate Economic Development

#### **NARRATIVE:**

The subject site, located on the southeast corner of Madrone Parkway and Lightpost Way, contains one unaddressed legal parcel (APN 726-33-026). Surrounding General Plan land use designations include Commercial to the south, and Industrial to the north, east, and west.

The applicant is requesting a General Plan Amendment to change the General Plan land use designation from Industrial to Commercial, on a 3.39 acre site in anticipation of a future hotel development project. The proposed General Plan Amendment was analyzed with respect to: 1) the appropriateness of the requested land use designation; and 2) consistency with applicable General Plan Policies.

#### **LAND USE DESIGNATION**

The existing Industrial General Plan land use designation is intended to provide sites for research, manufacturing, wholesale, and heavy service commercial uses that may be otherwise unsuitable to commercial districts. Zoning districts associated with the Industrial General Plan land use designation allow for hotel use only with a conditional use permit.

The proposed amendment to change the industrial designation to commercial is compatible with the existing General Plan land use designations of the adjacent properties, which are Industrial to the north, east, and west, and Commercial to the south. The proximity of existing hotels would encourage clustering of these use types, which is consistent with commercial "clustering" policies in the City's

General Plan, and the purpose of the City's commercial zoning districts.

### GENERAL PLAN POLICIES

The proposed land use designation change from Industrial to Commercial on the subject site is consistent with the following General Plan Policies:

*Economic Development Policies 1b and 1c: Designate sufficient areas of land to promote the development of a balanced community containing adequate jobs, retail services, and commercial activity, and encourage retention and expansion of existing businesses that generate revenue to the City's General Fund. Such businesses should promote the overlap between visitor and resident serving uses by encouraging retail goods and services that serve both market segments.*

Commercial uses have a positive fiscal impact to the City. While sites developed as Commercial in the General Plan support a wide range of potential uses, the current Amendment application was filed specifically to allow hotel development on the site. Hotels in general make a positive fiscal impact through Transit Occupancy Tax (TOT) revenues.

*Economic Development Policy 3c: Encourage the location of tourist and recreation oriented commercial development along the freeway.*

The project site is in proximity of the freeway and would allow development of a hotel in proximity to Highway 101. As a hotel is tourist and recreation oriented commercial development, the proposed Amendment would directly support this policy.

*Community Development Policy 9a: Encourage a variety of commercial and office development to meet the needs to City residents.*

Adding to the City's Commercial land supply to support proposed near-term development would be consistent with this General Plan Policy by encouraging commercial development.

### COMMUNITY ENGAGEMENT

The Planning Commission hearing for the project, as well as the Mitigated Negative Declaration for the project, were duly noticed to the public. No members of the public have provided input in response to these notices.

The proposed General Plan Amendment and other pending amendments were also referred to the City's General Plan Advisory Committee (GPAC), a Council appointed committee that is guiding the City's ongoing comprehensive update of its General Plan, Morgan Hill 2035. While the GPAC is an advisory committee, their input will be forwarded to the Planning Commission and City Council prior to final action on the General Plan update. GPAC meetings are open to the public and include opportunities for input from the broader community as well as GPAC members. As part of their discussion of a preferred land use plan, the GPAC reviewed the proposal. No concerns have been raised regarding the proposed amendment, and the requested change to the General Plan diagram has been included within the GPAC preferred land use plan.

**PRIOR CITY COUNCIL AND COMMISSION ACTIONS:**

In March 2014 staff presented information to the Planning Commission and the City Council regarding several pending General Plan Amendment applications, including the subject request. Consistent with the Planning Commission's recommendation, the City Council directed staff to process the subject General Plan Amendment request ahead of the City's comprehensive General Plan Update process (Morgan Hill 2035).

The Planning Commission considered this project at its regular meeting of October 14, 2014 and has recommended City Council approval of the project and its related Mitigated Negative Declaration.

**FISCAL AND RESOURCE IMPACT:**

No budget adjustment required. This project is part of the Community Development work plan, and the City has collected application fees to cover costs associated with the project.

**CEQA (California Environmental Quality Act):**

An environmental assessment was completed for the proposed project in accordance with the California Environmental Quality Act (CEQA), and potential impacts to the following areas were identified: Biological Resources, Cultural Resources, Geology and Soils, Greenhouse Gas Emissions, Hazard and Hazardous Materials, and Noise and Vibration. These potential impacts can be mitigated through mitigation measures listed in the attached Mitigated Negative Declaration. Implementation of these measures would reduce potential impacts to a less than significant level.

The Mitigated Negative Declaration is an informational document. It does not, in of itself, approve or deny a project. Since staff recommends approval of the project, staff also recommends the City Council adopt the Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program. The complete Mitigated Negative Declaration, initial study, and technical appendices are available on the City's website at: <http://www.morgan-hill.ca.gov/index.aspx?nid=1218>.

The Mitigated Negative Declaration has been agendized separately on this City Council agenda for City Council review, consideration and proposed adoption.

**LINKS/ATTACHMENTS:**

- 1) October 14, 2014 Planning Commission Staff Report  
<http://www.morganhill.ca.gov/DocumentCenter/View/14320>
- 2) Mitigated Negative Declaration Resolution (action agendized separately elsewhere on this Council meeting agenda)
- 3) General Plan Amendment Resolution
- 4) Project Area Map

**RESOLUTION NO.**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL ADOPTING THE "FALL 2014 GENERAL PLAN AMENDMENTS: LIGHTPOST-RIVERPARK, LAUREL-DEROSE, LAUREL-HONDA (WALNUT GROVE DRIVE EXTENSION), AND MONTEREY-KB HOME PROJECTS INITIAL STUDY/MITIGATED NEGATIVE DECLARATION (FILE NOS. GPA-14-05, GPA-13-02/ZA-13-09, GPA-14-01, GPA-08-13, GPA-14-03,)" ALL IN ACCORDANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT, AS AMENDED, AND ADOPTING A RELATED MITIGATION MONITORING AND REPORTING PROGRAM**

WHEREAS, prior to the adoption of this Resolution, the Community Development Director of the City of Morgan Hill prepared an Initial Study and approved for circulation a Mitigated Negative Declaration for the "Fall 2014 General Plan Amendments: Lightpost-Riverpark Hospitality, Laurel-DeRose, Laurel-Honda (Walnut Grove Drive Extension), and Monterey-KB Home Projects (File Nos. GPA-14-05/EA-14-05, GPA-13-02/ZA-13-09/EA-13-11, GPA-14-01/EA-14-01, GPA-14-03)" (the "Initial Study/Mitigated Negative Declaration"), all in accordance with the requirements of the California Environmental Quality Act of 1970, together with state and local guidelines implementing said Act, all as amended to date (collectively "CEQA"); and

WHEREAS, the projects analyzed under the Initial Study/Mitigated Negative Declaration (collectively referred to herein as the "Projects") consists of changes in general plan land use designation and zoning on a four separate parcels, as detailed in the Initial Study/Mitigated Negative Declaration and related applications on file with the City of Morgan Hill Community Development Department; and

WHEREAS, the Initial Study/Mitigated Negative Declaration concluded that implementation of the Projects could result in a number of significant effects on the environment and identified mitigation measures that would reduce each of those significant effects to a less-than-significant level; and

WHEREAS, in connection with the approval of a project involving the preparation of an initial study/mitigated negative declaration that identifies one or more significant environmental effects, CEQA requires the decision-making body of the lead agency to incorporate feasible mitigation measures that would reduce those significant environmental effects to a less-than-significant level; and

WHEREAS, whenever a lead agency approves a project requiring the implementation of measures to mitigate or avoid significant effects on the environment, CEQA also requires a lead agency to adopt a mitigation monitoring and reporting program to ensure compliance with the mitigation measures during project implementation, and such a mitigation monitoring and reporting program has been prepared for the Project for consideration by the decision-maker of the City of Morgan Hill as lead agency for the Projects (the "Mitigation Monitoring and

Reporting Program"); and

WHEREAS, the City of Morgan Hill is the lead agency on the Projects, and the City Council is the decision-making body for the proposed approval to construct and otherwise undertake the Projects; and

WHEREAS, the City Council has reviewed and considered the Initial Study/Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program for the Projects and intends to take actions on the Projects in compliance with CEQA, and state and local guidelines implementing CEQA; and

WHEREAS, the Initial Study/Mitigated Negative Declaration and the Mitigation Monitoring and Reporting Program for the Projects are, by this reference, incorporated into this Resolution as if fully set forth herein; and

WHEREAS, the Initial Study/Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program for the Projects are on file in the Community Development Department located at 17575 Peak Avenue, Morgan Hill, California, 95037, and are available for inspection by any interested person at that location.

**NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MORGAN HILL AS FOLLOWS:**

1. The City Council does hereby make the following findings: (1) it has independently reviewed and analyzed the Initial Study/Mitigated Negative Declaration and other information in the record and has considered the information contained therein, prior to acting upon or approving any of the Projects, (2) the Initial Study/Mitigated Negative Declaration prepared for the Projects has been completed in compliance with CEQA and is consistent with state and local guidelines implementing CEQA and (3) the Initial Study/Mitigated Negative Declaration represents the independent judgment and analysis of the City of Morgan Hill, as lead agency for the Projects. The City Council designates the Community Development Director at the Director's Office at 17575 Peak Avenue, Morgan Hill, California, 95037, as the custodian of documents and records of proceedings on which this decision is based.

2. The City Council does hereby find that, based upon the entire record of proceedings before it and all information received, there is no substantial evidence that the Projects, individually or collectively, will have a significant effect on the environment and does hereby adopt the Mitigated Negative Declaration and related Mitigation Monitoring and Reporting Program prepared for the Projects. The Initial Study/Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program are: (1) on file in the Community Development Department, Director's Office, located at 17575 Peak Avenue, Morgan Hill, California, 95037 and (2) available for inspection by any interested person.

**PASSED AND ADOPTED** by the City Council of the City of Morgan Hill at its meeting held on this 19th day of November, 2014 by the following vote:

**AYES:**            **COUNCIL MEMBERS:**  
**NOES:**          **COUNCIL MEMBERS:**

**ABSTAIN: COUNCIL MEMBERS:**  
**ABSENT: COUNCIL MEMBERS:**

**DATE:** \_\_\_\_\_  
Steve Tate, MAYOR

**∞ CERTIFICATION ∞**

**I, Irma Torrez, City Clerk of the City of Morgan Hill, California,** do hereby certify that the foregoing is a true and correct copy of Resolution No.\_\_\_\_\_, adopted by the City Council at the meeting held on \_\_\_\_\_, 201\_.

**WITNESS MY HAND AND THE SEAL OF THE CITY OF MORGAN HILL.**

**DATE:** \_\_\_\_\_  
Irma Torrez, CITY CLERK

## RESOLUTION NO.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MORGAN HILL APPROVING A GENERAL PLAN AMENDMENT TO THE LAND USE DESIGNATION ON A 3.39 ACRE SITE LOCATED AT THE SOUTHEAST CORNER OF MADRONE PARKWAY AND LIGHTPOST WAY FROM INDUSTRIAL TO COMMERCIAL (APN 726-33-026)**

**WHEREAS**, such request was considered by the City Council at their regular meeting of November 19, 2014, at which time the City Council approved General Plan Amendment application, GPA-14-05: Lightpost – Riverpark Hospitality;

**WHEREAS**, testimony received at a duly-noticed public hearing, along with exhibits and drawings and other materials have been considered in the review process; and

**NOW, THEREFORE, THE MORGAN HILL CITY COUNCIL DOES RESOLVE AS FOLLOWS:**

**SECTION 1.** The General Plan Amendment is consistent with the provisions of the General Plan.

**SECTION 2.** The City Council hereby finds that, on the basis of the whole record before it (including the Initial Study and any comments received), that there is no substantial evidence that the project will have a significant effect on the environment and that the Mitigated Negative Declaration reflects the City Council's independent judgment and analysis, and that the Mitigated Negative Declaration was adopted prior to action taken to adopt this Resolution. The custodian of the documents or other material, which constitute the record, shall be the Community Development Department.

**SECTION 3.** The City Council hereby approves of the General Plan Amendment as shown in the attached Exhibit 'A'.

**SECTION 4.** The change in land use designation shall become effective immediately, subject to appeal within thirty (30) days following the date of adoption of this resolution.

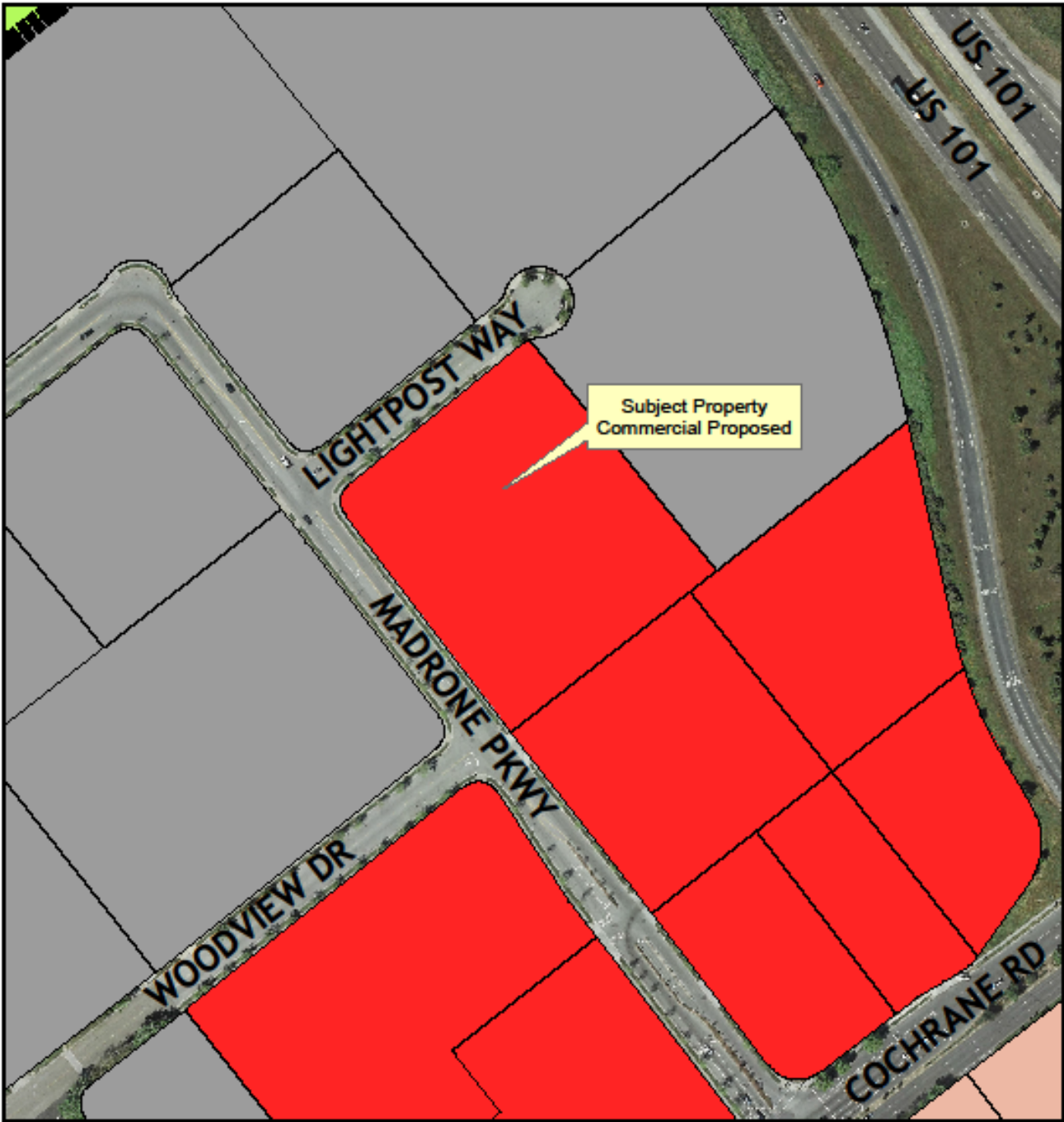
**PASSED AND ADOPTED THIS 19<sup>th</sup> DAY OF NOVEMBER 2014, AT A REGULAR MEETING OF THE CITY COUNCIL BY THE FOLLOWING VOTE:**

**AYES: COUNCILMEMBERS:**  
**NOES: COUNCILMEMBERS:**  
**ABSTAIN: COUNCILMEMBERS:**  
**ABSENT: COUNCILMEMBERS:**

**ATTEST:**

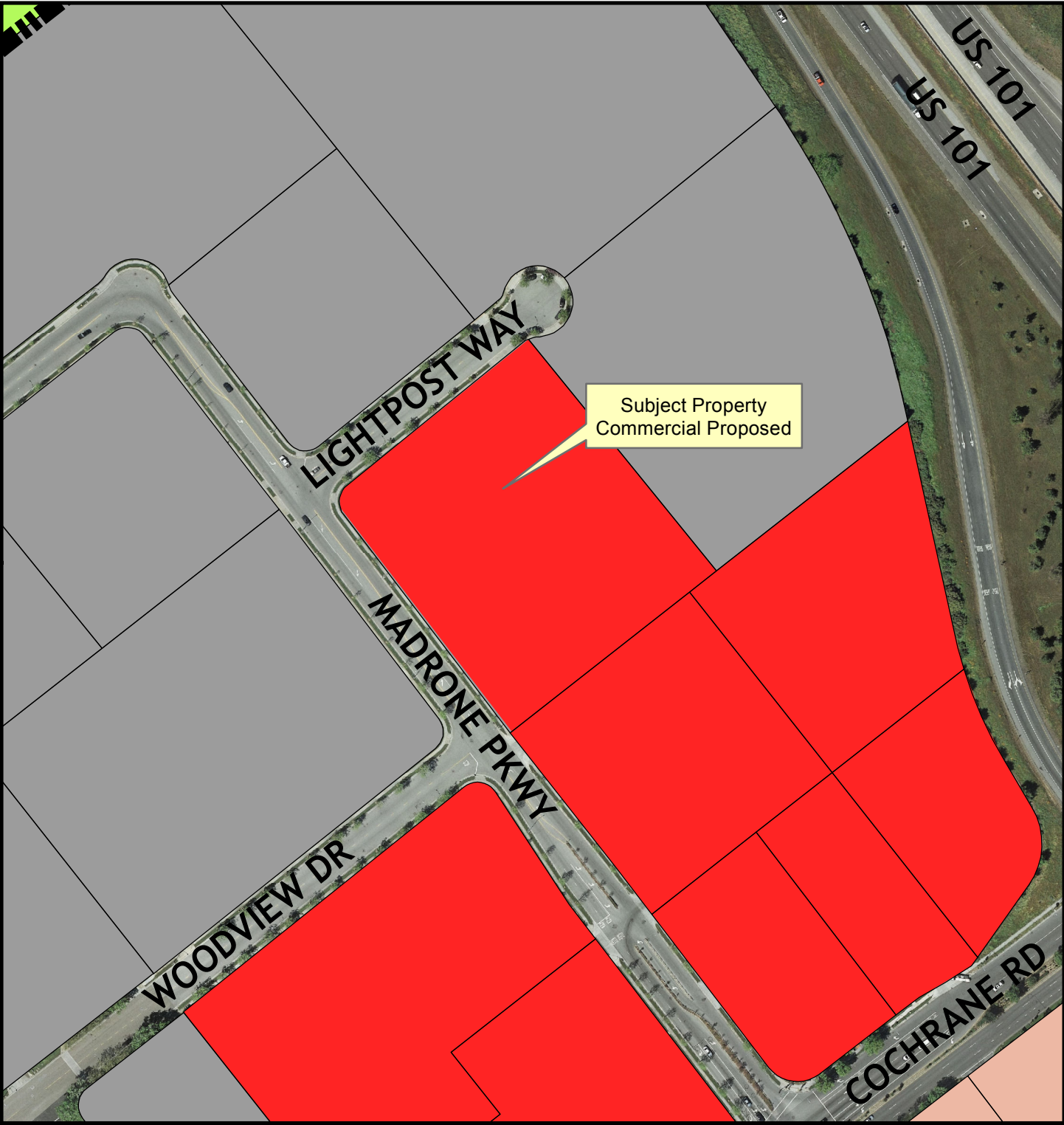
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**IRMA TORREZ, City Clerk**



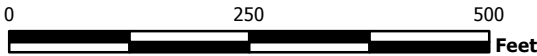
<p><b>General Plan Land Uses</b></p> <ul style="list-style-type: none"><li><span style="display:inline-block; width:15px; height:15px; background-color:red; border:1px solid black;"></span> Commercial</li><li><span style="display:inline-block; width:15px; height:15px; background-color:lightcoral; border:1px solid black;"></span> General Commercial</li><li><span style="display:inline-block; width:15px; height:15px; background-color:gray; border:1px solid black;"></span> Industrial</li><li><span style="display:inline-block; width:15px; height:15px; background-color:lightgreen; border:1px solid black;"></span> Rural County</li></ul>	<div data-bbox="802 1570 1276 1619"><p>0 250 500 Feet</p></div> <div data-bbox="1313 1577 1382 1640"></div> <p><b>EXHIBIT A:</b> <b>GPA -14-05:</b> <b>LIGHTPOST-RIVERPARK HOSPITALITY</b></p> <p><b>PROPOSED AMENDMENT</b></p> <div data-bbox="1273 1793 1435 1871"></div>
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**General Plan Land Uses**

-  Commercial
-  General Commercial
-  Industrial
-  Rural County



**EXHIBIT A:**  
**GPA -14-05:**  
**LIGHTPOST-RIVERPARK HOSPITALITY**  
**PROPOSED AMENDMENT**



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